

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF ARTHUR ) APPEAL NO. 07-A-2683  
AND BETSY LEVIN from the decision of the Board ) FINAL DECISION  
of Equalization of Valley County for tax year 2007. ) AND ORDER  
)

**RESIDENTIAL PROPERTY APPEAL**

THIS MATTER was conducted "On the Record" - in writing. Board Members Lyle R. Cobbs, Linda S. Pike and David E. Kinghorn participated in this decision. Appellants Arthur and Betsy Levin submitted information for consideration. Respondent Valley County also submitted information for consideration. This appeal is taken from a decision of the Valley County Board of Equalization (BOE) denying the protest of the valuation for taxing purposes of property described as Parcel No. RPM0272001015EA.

**The issue on appeal is the market value of residential property.**

**The decision of the Valley County Board of Equalization is reversed.**

FINDINGS OF FACT

The assessed land value is \$118,990, and the improvements' valuation is \$355,650, totaling \$474,640. Appellant requests the land value be reduced to \$110,000, and the improvements' value be reduced to \$285,000, totaling \$395,000.

The subject property is .246 acres improved with a two story, residence with 1,944 square feet and an attached garage, located in McCall, Idaho.

Appellants asserted subject property was overvalued by 20%. In September 2006 subject was listed for sale, but there were no offers at the asking price of \$429,000. Appellants expected to sell near or just below \$400,000. In October 2007 subject was taken off the market because there had been no interest shown in the property at the lowest reasonable price.

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when the property would not sell at an even lower price. Appellant submitted a letter from the listing Realtor dated June 19, 2007. The realtor wrote subject was listed in 2006 for \$469,000 and later reduced to \$429,000. The Realtor expected subject to sell in the price range of \$390,000 to \$400,000. The letter included the Realtor's opinion of subject value at approximately \$395,000.

The Realtor offered an analysis of four sales located on the McCall Golf Course, comparable to subject. The sales took place in June and July, 2006 and February and April 2007. The sale prices ranged from \$310,000 to \$328,000.

The County presented eight land sales and five improved sales to support the assessed value of subject. The eight land sales ranged in size from .103 to 1 acres and in price from \$60,000 to \$179,000. The five improved sales ranged in price from \$375,000 to \$657,500. The Assessor stated an additional assessment trend of +20% was recommended to assessments in the subject area, by the State Tax Commission, to bring assessed values into compliance with market value.

The Assessor asserted that three of the four sales presented by Taxpayers as comparables could not be considered. One of the properties was graded as an average+ residence while subject was assessed as a better grade residence. Two of the sales took place in 2007 and would be considered in the 2008 valuation analysis.

### CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho is a market value state for property tax purposes. Idaho Code § 63-201(10) provides the requisite definition:

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing sell, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Property not expressly exempt is valued at its current market value as of January 1 in the given tax year. Recent, proximate sales of comparable property are considered good evidence of value.

Both parties offered sales to support the value claims. Appellants sales took place in 2006 and 2007. Subject was actively listed for sale and Appellant's offered a Realtor's opinion of value.

The County described subject and maintained a 20% trend was applied to property assessments in subject area to achieve market value assessment levels. Several land sales and five improved sales were submitted in sales ratio format, to indicate assessed land values were on average 86% of sales price and the improved assessed values were 98% of sales price. Specific comparison of the sale properties to the subject were not submitted.

A proper determination of the market value of taxable property should involve an analysis of multiple factors including the actual cost of the property and its actual sale value. Merris v. Ada County, 100 Idaho 59, 593 P.2d 394 (1979).

"The value of property for purposes of taxation as determined by the assessor is presumed to be correct; and the burden of proof is upon the taxpayer to show by [a preponderance of the] evidence that he is entitled to the relief claimed." Board of County Comm'rs of Ada County v. Sears, Roebuck & Co., 74 Idaho 39, 46-47, 256 P.2d 526, 530 (1953).

We find Appellant's case more compelling, and believe Taxpayers have supported the claim for relief.

Therefore, the decision of the Valley County Board of Equalization is reversed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Valley County Board of Equalization concerning the subject parcel be, and the same hereby is, reversed, lowering the assessed value to \$395,000.

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellant.

MAILED April 3, 2008